OUR NET PRICES ARE DECREASING

-5.7%

Average net price decline of Janssen medicines in 2020

$29.4B

Total amount Janssen paid in rebates, discounts and fees to payers and others in the health system in 2020

-14.4%

Compound net price decline of Janssen medicines since the beginning of 2016

OUR DISCOUNTS ARE GROWING*

3.3x

Medicare®

2.2x

Medicaid®

4.2x

Commercial health plans and PBMs

2.6x

340B providers

53%

More than half of the last price of our medications went to payers and others in the health system

BUT PATIENTS’ COSTS ARE RISING

111%

Average deductible amount increase for employer-sponsored insurance from 2010 ($1,546) to 2020 ($3,146)^7

17%

According to a study, increase in annual ER visits when co-pays are doubled for patients taking certain medications

THROUGHOUT COVID-19, WE HAVE SUPPORTED PATIENTS

Nearly 1.2 million patients helped with access, affordability and treatment support through the Janssen CarePath Savings Program™

646,000 commercially insured patients reduced their out-of-pocket costs through the Janssen CarePath Savings Program™

OUR FOCUS: CREATING A FUTURE WHERE DISEASE IS A THING OF THE PAST

In 2020, we invested $9.6 billion in R&D — more than twice (106%) what we spent on marketing and sales.

Since 2015, we’ve invested $42.2 billion in R&D — 66% more than we’ve spent on marketing and sales.

When the pandemic struck, past R&D investment meant Janssen had a ready technology platform to develop our COVID-19 vaccine.

WHAT WE STAND FOR: POLICIES PUTTING PATIENTS FIRST

When we offer policy solutions and/or assess policy proposals, the following principles guide our thinking:

Patients should have affordable access to appropriate treatment options and sites of care

Treatment decisions belong in the hands of patients and their healthcare providers

Clinically stable patients should not be switched from their treatments for non-medical reasons (unless deemed substitutable by the FDA)

Appropriate clinical rigor and manufacturing quality standards should be applied in all instances to ensure patient safety

We believe the healthcare system should support these principles by:

Maintaining a fair and competitive marketplace

Fostering an environment that supports future investment in innovation

Ensuring responsible pricing and appropriate transparency system-wide

Determining value based on evidence that incorporates the benefits and risks for patients, the healthcare system and society

Visit janssen.com/ustransparencyreport to view the complete 2020 Janssen U.S. Transparency Report

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EXECUTIVE SUMMARY

As a nation, we have a chance to turn the lessons of 2020 into lasting change for our health system to drive further progress to a more equitable system. While redesigning healthcare delivery and redirecting resources away from ineffective, wasteful care is challenging, we can and must, continue to seek solutions that benefit all of our communities. Because doing so means improving patients’ health, saving lives and creating a stronger, healthier society.

OUR PRIORITY: AFFORDABLE ACCESS FOR PATIENTS

Our R&D investment has increased an average of 8% for the past five years.¹

In 2020, we invested $9.6 billion in R&D — more than twice (106%) what we spent on marketing and sales.²

Since 2015, we’ve invested $42.2 billion in R&D — 66% more than we’ve spent on marketing and sales.³

When the pandemic struck, past R&D investment meant Janssen had a ready technology platform to develop our COVID-19 vaccine.⁴

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References

¹. Figure According to Janssen Internal Financial Accounting.

². Ibid.

³. Ibid.

⁴. Ibid.

⁵. Ibid.

⁶. Ibid.


⁸. Ibid.

⁹. Ibid.


¹¹. Data are an approximate number of patients supported by Janssen CarePath provided by the program administrator.

¹². Ibid.


¹⁴. Ibid.

¹⁵. Ibid.


¹⁷. Figure According to Janssen Internal Financial Accounting.